



[OMB No. 3064-0140; - 0175]

Agency Information Collection Activities: Proposed Collection Renewal; Comment Request

AGENCY: Federal Deposit Insurance Corporation (FDIC).

ACTION: Notice and request for comment.

SUMMARY: The FDIC, as part of its obligations under the Paperwork Reduction Act of 1995 (PRA), invites the general public and other Federal agencies to take this opportunity to comment on the renewal of the existing information collections described below (OMB Control No. 3064-0140; - 0175).

DATES: Comments must be submitted on or before [INSERT DATE 60 DAYS AFTER DATE OF PUBLICATION IN THE FEDERAL REGISTER].

ADDRESSES: Interested parties are invited to submit written comments to the FDIC by any of the following methods:

- *Agency Website:* <https://www.fdic.gov/resources/regulations/federal-register-publications/>.
- *Email:* comments@fdic.gov. Include the name and number of the collection in the subject line of the message.
- *Mail:* Manny Cabeza (202-898-3767), Regulatory Counsel, MB-3128, Federal Deposit Insurance Corporation, 550 17th Street NW, Washington, DC 20429.
- *Hand Delivery:* Comments may be hand-delivered to the guard station at the rear of the 17th Street NW building (located on F Street NW), on business days between 7:00 a.m. and 5:00 p.m.

All comments should refer to the relevant OMB control number. A copy of the comments may also be submitted to the OMB desk officer for the FDIC: Office of

Information and Regulatory Affairs, Office of Management and Budget, New Executive Office Building, Washington, DC 20503.

FOR FURTHER INFORMATION, CONTACT: Manny Cabeza, Regulatory Counsel, 202-898-3767, mcabeza@fdic.gov, MB-3128, Federal Deposit Insurance Corporation, 550 17th Street NW, Washington, DC 20429.

SUPPLEMENTARY INFORMATION: Proposal to renew the following currently approved collection of information:

1. Title: Insurance Sales Consumer Protections

OMB Number: 3064-0140

Forms: None

Affected Public: Insured State nonmember banks and savings associations that sell insurance products; persons who sell insurance in or on behalf of insured State nonmember banks and savings associations.

Burden Estimate:

Summary of Estimated Annual Burden (OMB No. 3064-0140)					
Information Collection (Obligation to Respond)	Type of Burden (Frequency of Response)	Number of Respondents	Number of Responses per Respondent	Time per Response (HH:MM)	Annual Burden (Hours)
1. Insurance Sales Consumer Protections, 12 CFR 343 (Mandatory)	Third Party Disclosure (On Occasion)	1,101	1	05:00	5,505
Total Annual Burden (Hours):					5,505
Source: FDIC.					

General Description of Collection: Respondents must prepare and provide certain disclosures to consumers (e.g., that insurance products and annuities are not FDIC-insured) and obtain consumer acknowledgments, at two different times: (1) Before the completion of the initial sale of an insurance product or annuity to a consumer; and (2) at the time of application for the extension of

credit (if insurance products or annuities are sold, solicited, advertised, or offered in connection with an extension of credit). There is no change in the substance or methodology of this information collection. The decrease in burden is due solely to a decrease in the estimated number of respondents.

The disclosure requirements in this information collection apply to all FDIC-supervised IDIs that sell insurance products. According to recent Reports of Condition and Income (Call Report), there are currently 3,068 FDIC-supervised IDIs.¹ To estimate the number of IDIs that would be directly affected by this ICR, FDIC restricts the count to those IDIs that report income from the sale of insurance on their Call Reports. IDIs report income from insurance activities differently depending on which Call Report form they file. IDIs file Call Report form 051 if they have less than \$1 billion in total assets and do not have any foreign offices, and they file forms 031 or 041 otherwise. IDIs that file form 051 report income from insurance activities on Call Report schedule RI line 5(d) 2, while IDIs that file forms 031 or 041 report income from annuity sales, underwriting income from insurance and reinsurance activities, and other income from insurance activities on Call Report schedule RI lines 5(d) 3-5.

As of September 30, 2022, 321 FDIC-supervised IDIs reported non-zero values of income from annuity sales, underwriting income from insurance and reinsurance activities, or income from other insurance activities on Call Report forms 031 or 041. Another 780 FDIC-supervised IDIs reported non-zero values of income from insurance activities on Call Report form 051.² Accordingly, the estimated number of respondents for this information collection is 1,101.³

¹ FDIC Call Report data, September 2022.

² *Id.*

³ 321 + 780 = 1,101.

2. Title: Interagency Guidance on Sound Incentive Compensation Policies

OMB Number: 3064-0175.

Forms: None

Affected Public: Insured state nonmember banks and state savings associations.

Burden Estimate:

Summary of Estimated Annual Burden (OMB No. 3064-0175)					
Information Collection (Obligation to Respond)	Type of Burden (Frequency of Response)	Number of Respondents	Number of Responses per Respondent	Time per Response (HH:MM)	Annual Burden (Hours)
1. Initial documentation: Interagency Guidance on Sound Incentive Compensation Practices, 75 Fed. Reg. 36395 (Voluntary)	Recordkeeping (Annual)	1	1	40:00	40
2. Revision of initial documentation: Interagency Guidance on Sound Incentive Compensation Practices, 75 Fed. Reg. 36395 (Voluntary)	Recordkeeping (Annual)	1,985	1	02:00	3,970
Total Annual Burden (Hours):					4,010
Source: FDIC.					

General Description of Collection: This Guidance helps promote that incentive compensation policies at insured state non-member banks do not encourage excessive risk-taking and are consistent with the safety and soundness of the organization. Under this Guidance, banks are encouraged to: (i) Have policies and procedures that identify and describe the role(s) of the personnel and units authorized to be involved in incentive compensation arrangements, identify the source of significant risk-related inputs, establish appropriate controls governing these inputs to help ensure their integrity, and identify the individual(s) and unit(s) whose approval is necessary for the establishment or modification of

incentive compensation arrangements; (ii) create and maintain sufficient documentation to permit an audit of the organization's processes for incentive compensation arrangements; (iii) have any material exceptions or adjustments to the incentive compensation arrangements established for senior executives approved and documented by its board of directors; and (iv) have its board of directors receive and review, on an annual or more frequent basis, an assessment by management of the effectiveness of the design and operation of the organization's incentive compensation system in providing risk taking incentives that are consistent with the organization's safety and soundness. There is no change in the substance or methodology of this information collection. The change in burden is due to a decrease in the estimated number of respondents. The burden hours decreased by 358 from 4,368 to 4,010.

Request for Comment

Comments are invited on: (a) Whether the collections of information are necessary for the proper performance of the FDIC's functions, including whether the information has practical utility; (b) the accuracy of the estimates of the burden of the information collections, including the validity of the methodology and assumptions used; (c) ways to enhance the quality, utility, and clarity of the information to be collected; and (d) ways to minimize the burden of the collections of information on respondents, including through the use of automated collection techniques or other forms of information technology. All comments will become a matter of public record.

Federal Deposit Insurance Corporation.

Dated at Washington, DC, on February 27, 2023.

James P. Sheesley,

Assistant Executive Secretary.

BILLING CODE 6714-01-P

[FR Doc. 2023-04257 Filed: 3/1/2023 8:45 am; Publication Date: 3/2/2023]